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VECTOR PLANS TO ROLL OUT OMNI IN SECOND HALF OF OCTOBER; PRODUCTION OF
CIGARETTE THAT COMPANY SAYS HAS FEWER CARCINOGENS BEGAN THIS WEEK
By Brian Louis JOURNAL REPORTER

This week marked a new phase in Vector Group Ltd.'s \$100 million "less hazardous" cigarette endeavor.

Vector Group is the Miami parent of Vector Tobacco, the maker of Omni cigarettes, which the company says is a reduced-carcinogen cigarette.

Commercial production of Omni began Tuesday in Durham, a company spokeswoman said. Eventually production will move to Roxboro, where the company is refurbishing a former Crown Craft textile plant.

Omni will be available in "select retail stores nationwide" in the second half of October, Vector Group said.

Vector Group says that in Omni, many of the specific carcinogens that have been pinpointed as the major causes of lung cancer in smokers have been slashed.

Overall, the company is investing about \$100 million in what it calls its "less hazardous" smoking products.

Whether the investment will pay off remains to be seen. But judging by the way Vector Group's stock has performed this year - it is up about 200 percent - some investors think that there are big things ahead.

"The stock has captured the imagination of some investors," said Joel Luton, the director of research at APS Financial Corp.

Luton said that the key to Omni is whether smokers buy the cigarette.

Vector Group said that Omni did well in "consumer taste tests, scoring equal to or slightly better than the leading premium cigarette."